

**WEDNESDAY**

**REGULAR MEETING  
7:00 P.M.**

**APRIL 4, 2012**

This Regular Meeting of Council was called to order on the above-stated date at the above-stated time after the Pledge of Allegiance and a Moment of Silence by President of Council Darryl Segina with the following Members of Council were present:

**RC-1      PRESENT:      DALE McCALL, DANIEL CARR, DARRYL SEGINA, V. FAWN WALKER-MONTGOMERY, ALFRED J. TEDESCO, JR., RICHARD DELLAPENNA, KEITH SOLES**

Pastor Warren Smith of St. John's Lutheran Church in McKeesport led the prayer. Sergeant of Arms is Officer Joe Osinski.

Also present were Mayor Michael Cherepko, City Administrator Matthew Gergely, City Solicitor J. Jason Elash and members of the Administration.

**APPROVAL OF MINUTES:**

**MOTION:      Mr. McCall moved, seconded by Mr. Tedesco, "To approve the minutes for the Regular Meeting of Council on March 7, 2012."**

**RC-2      YEAS:      McCALL, CARR, SEGINA, WALKER-MONTGOMERY, TEDESCO, DELLAPENNA, SOLES..... 7**

**NAYS:      NONE..... 0**

- Mr. Segina said they don't have the minutes.

- Mrs. Williams said she had a death in the family and that is why they are not here.
- Mr. Segina said he is sorry. He said they usually have the minutes here but there was a death in the family and she could not get them finished because of that so they still have to take a vote on the minutes themselves. He said if there is a discrepancy they will address them later on.

### **COMMUNICATIONS:**

- Received an invitation from the S.S. McKeesport Committee to attend the Re-dedication of the SS McKeesport to be held Saturday, April 28, 2012 at 11:00 a.m. at the SS McKeesport Memorial.
- Received notification from Alleghany County that the Common Household Chemical Collection will be held at North Park Swimming Pool Parking Lot, Saturday, May 5, 2012 from 9 am to 1 pm.
- Received the Monthly Report from the McKeesport Fire Department.
- Received the Monthly Report from the McKeesport Police Department.
- Received two letters from George Gobel, Solicitor for the Zoning Hearing Board of the City of McKeesport RE: Variance Requests.
  - Mr. Segina said they did not receive a copy of the Police and Fire Reports.
  - Mrs. Williams said it was in his packet.
  - Mr. Segina said he went through the whole thing and did not see it.

**MAYOR'S REPORT:**

- Mayor Cherepko said thank you Mr. President, he will be fairly brief today. He said first he would like to start with the negative and get done with that first. He said the financial situation of the City is by no means any better than what they talked about last month. He said after sitting down with the experts and getting an analysis of the budget, it is much worse. He said it is nothing that they cannot handle and he believes the Administration and Council can work together and has ideas for solutions to get back on track. He said he doesn't want to get into that too much but it is a serious deficit that they are faced with and it is obstacle and challenge. He said he knows everyone in this room right now is up for overcoming it.
- Mayor Cherepko said last week they had a press release with the District Attorney's office and that reflects some of the things they have been doing in the City. He said there were 138 total arrests. He said he wanted to thank the District Attorney personally on behalf of the City ... publicly for his efforts. He said once again it is taking place at no cost to the City, they fund everything. He said he has been out every week now with the men and women in the Police Department and it gives him a whole other perspective of what these men and women do each and every day of their lives to help make McKeesport a safer place. He said he wants to thank each and every one of them for everything they do and for putting their lives on the line and for the professional behavior they exhibit throughout those evenings.
- Mayor Cherepko said one of the other things he wants to talk about is Senate Bill #405. He said Mr. Tedesco mentioned it to him yesterday at the end of the work session. He said for those who are not aware of it, Senate Bill #405 deals with the Business Privilege Tax. He said at Seven Springs over the weekend they had the opportunity to sit through a couple of

hours of a session with a panel of their State Representatives, State Senators, US Congressmen Critz, Altmeyer and Murphy. He said the Business Privilege Tax in this Bill #405 went into its final approval yesterday and to be quite honest with them, the City needs credit here and the one thing that came out is that they had the opportunity to speak with Lachovich on the panel ... all the members on the panel actually ... but they stayed an extra hour after the meeting adjourned and spoke with Representative Lachovich and a lot of the Representatives and Senators really were not truly aware of just what this bill was. He said they had another understanding of what it was. He said when they break down into their caucus sessions they often are educated on the bills and told what the bills are rather than reading the bills themselves. He said in their minds the bill was about double taxation and in all reality that was not the case. He said this would tremendously affect the City. He said when there is a construction project such as the two they have going on in the City right now, very large ones, a \$35 million school being built and a \$39 million sewage plant being built. He said the City then charges the construction company a business privilege tax for the work done. He said their interpretation here in the City ... which he would hope everyone here on Council would agree with ... is it is simply what it says, it is a privilege to do business in their City. He said it is the citizens of the City who have to go through the inconvenience of the traffic, dirt, and noise on certain projects. He said our roads take the abuse of the large trucks and equipment going up and down the roads. He said these are things that can go on for a year or two. He said that is the City's argument regarding what that Business Privilege Tax is for. He said this Bill would take that away from the City in particular and what they say is a Business Privilege Tax should be paid to where the Company is housed, where it is located and not where it does business. He said the problem with that is that it makes no sense in their argument. He said it is something they are hoping does not go through. He said it went through the House and went through the Senate Committees and went to final approval on Monday and he

would like to say that the conversation that they had and the phone calls they made after that meeting including their own local State Reps and State Senator Brewster and hopefully they were somewhat instrumental in them suspending the Bill so that they did not vote on it yesterday. He said it was one wonderful thing that came out of them being up there this weekend and having an opportunity to network amongst the many other things they do up there. He said it was not passed and the good news is that they are not going back into session until after the primary election. He said hopefully they have a few weeks to really education themselves and take them into consideration. He said they kind of laughed and joked, and their argument was that as far as their finances then they should just recruit construction companies to their City because then they are going to get business privilege tax for all the multimillion dollar projects they do no matter where they are doing them. He said that doesn't make sense. He said he was pleased to see that it did not pass on Monday and they suspended it until further discussion.

- Mayor Cherepko said the Bike Trail has taken some giant steps and the City's Public Works and Streets Department has been doing a lot of prep work in order to complete the project. He said he does want to thank them for their efforts on that, they have been working really hard. He said the new direction that they agreed on which was in the paper a few weeks ago, they made it as simple as possible so it was less confusing. He said it is just going right along behind here. He said it is going right behind the parking garage, behind the Daily News, behind this building, through the parking lot and then it will connect to the Bike Trail. He said hopefully early to mid-summer that project will be completed.
- Mayor Cherepko said they had an Easter Egg Hunt and he would like to thank Jim Brown and the Recreation Board. He said some of those members will not become official members until this evening. He said they had 149 children that registered for the Easter Egg Hunt and it was a very nice

event. He said unfortunately he was not able to be there but his children did make it and his nieces and both of his children had a great time. He said Jim did a great job and thank you to the Rec Board.

- Mayor Cherepko said he does want to take this opportunity to thank the Fire Department. He said there was a fire and so often they take for granted what the Firemen do. He said they talk about the Police and what they do and there is no question. He said the Firemen are no different. He said they had a fire up on Highland Avenue last week and he was out with the Police that evening. He said it is amazing to see when they got on the scene because they happened to be up that way, they actually got up there a few minutes before the firemen, and the fire was already out the windows. He said flames were coming out of the upstairs windows and everything. He said to see how quickly they got in there and got the fire under control was amazing. He said they put their lives on the line. He said they get in there, control that fire, had it under control in a matter of just a few minutes. He said he also wanted mention that the policemen were up there because they were out on suppression detail with the DA that evening and he wanted to commend all of the policemen who went right in there and started helping the firemen. He said they don't go into the house obviously but they help getting the hoses out and connected and it was a wonderful example of what they are trying to do in the City of working together for a better McKeesport. He said he does want to commend the Firemen and the Police.
- Mayor Cherepko said obviously spring came very quickly this year and he wants to thank the Parks Department this year. He said getting your mind set and ready to do what needs to be done and he thinks Mr. Segina can probably relate to this as Public Works Director. He said they have a plan and then when they have those 80° days for ten or fifteen days in a row it really speeds everything up and makes them go full speed

ahead and are in their routine of getting the Parks ready for spring and summer including the ball fields.

- Mayor Cherepko said the last thing he wants to briefly talk about will probably be discussed a little later and he wanted to mention it and that is the gun law resolution that is on the Agenda this evening. He said Ms. Walker-Montgomery asked him a question but he still does not want to get into the details of it tonight. He said it is not a bill that they are going to pass here locally if it passes this evening, which is definitely a good thing, but just the whole bill itself looking into it, he knows the whole purpose of that bill is to curb straw purchasing. He said to be honest in his mind after doing more research; there is no proof that it prevents straw purchasing. He said the reason behind it is the time limit that they give ... in his mind, it doesn't change anything. He said if someone loses a gun right now, they are supposed to report it. He said if this law was passed, they would have to report it also within 72 hours. He said regardless, a straw purchaser, if their gun would come up into an investigation of a shooting or robbery or anything for that matter, they would just say they did not know it was lost. He said with or without the law, in his mind it really would not help and that is why he has a stance against that at this point. He said he just wanted to be up front with her because she asked him yesterday. He said no question, as Mr. Tedesco mentioned yesterday, if Council was going to pass some sort of bill to enhance the penalties on straw purchasing itself. He said that is something that he would be 100% behind. He said he just wanted to mention that because she did ask him yesterday and he felt like he owed her an explanation for that. He said other than that, he has some appointments to make. He said those appointments are done collaboratively between ... he did put a few up for the Ambulance, Housing and Zoning that he submitted to Council last week. He said then they collaboratively came up with some other appointments that he will do separately. He said first he would like to make the appointment to the Zoning Board. He said he is recommending the appointment of Jim Haughey whose term

will expire January 4, 2015. He said he thinks they are all familiar with Jim and he was here last evening. He said he is the Director of MHC. He said also MHC is running the Redevelopment Authority at this time. He said Jim showed interest in being on the Zoning Board and being more involved in the City.

**MOTION:**      **Mr. Tedesco moved, seconded by Ms. Walker-Montgomery, "To appoint Jim Haughey to the Zoning Hearing Board."**

**RC-3**      YEAS:      McCALL, CARR, SEGINA, WALKER-MONTGOMERY, TEDESCO, DELLAPENNA, SOLES..... 7

                 NAYS:      NONE..... 0

- Mayor Cherepko said he would like to reappoint Walter Chuchla who has been serving on the McKeesport Ambulance Authority and whose term is up to a new term that would expire December 31, 2016. He said he would also like to appoint Wendy Riazzi to fill the position left open by Ed Coulter's passing and her term will expire December 31, 2012. He said Wendy is a member of the medical profession and will offer a lot to the Board. He said he believes Wendy Riazzi was involved with forming the Ambulance Authority when it all started and was very excited to become a member of the Board.

**MOTION:**      **Mr. Tedesco moved, seconded by Mr. Dellapenna, "To reappoint Walter Chuchla and appoint Wendy Riazzi to the McKeesport Ambulance Authority."**

**RC-4**      YEAS:      McCALL, CARR, SEGINA, WALKER-MONTGOMERY, TEDESCO, DELLAPENNA, SOLES..... 7

                 NAYS:      NONE..... 0



- Mr. Tedesco said does the Mayor know if they replaced Ed as the Chairman on that Board yet.
- Mayor Cherepko said he believes they have a Board meeting next week and they will select a Chairman then. He said the Emergency Management Coordinator is something they will take care of. He said no they have not done that yet. He said he is recommending Tim Solarczyk for appointment to the McKeesport Housing Authority with his term expiring December 31, 2016. He said that would also be an individual that is taking over for Mr. Coulter's term. He said he would be replacing Mr. Coulter for his term.

**MOTION: Mr. Tedesco moved, seconded by Ms. Walker-Montgomery, "To appoint Tim Solarczyk to the McKeesport Housing Authority."**

**RC-5**      YEAS:      McCALL, CARR, SEGINA, WALKER-MONTGOMERY, TEDESCO, DELLAPENNA, SOLES..... 7

                 NAYS:      NONE..... 0

- Mayor Cherepko said the next appointment that they have is the Human Relations Commission, which involves the whole HUD and the VCA agreement that they had to do. He said it is a requirement that they have ... a Human Relations Commission to help get the word out about Fair Housing and things of that nature out into the Community. He said he worked with Mr. Segina on this. He said just to throw out some names ... they came up with about ten names or so and the ones that were interested are in front of him. He said those people are Annette James. He said Annette James would be his appointment, one of those is a Mayor's appointment. He said then there would be Alease Page, Gerald Grayson, Diane Raible, Frank Francis, Angelia Christina, Fred Lewis. He said those are the names.

- Mr. Segina said are there any objections to any of the people that they have on this list right now or they can do this in one vote.
- Mr. McCall said are there supposed to be nine on there.
- Mayor Cherepko said no, there were seven.
- Mr. Segina said if there are no objections, he would like to have a motion that they honor the appointments to the Human Relations Commission that the Mayor has mentioned.

**MOTION: Mr. Tedesco moved, seconded by Ms. Walker-Montgomery, "To appoint Annette James, Alease Paige, Gerald Grayson, Diane Raible, Frank Francis, Angelia Christina, and Fred Lewis to the Human Relations Commission."**

**RC-6** YEAS: McCALL, CARR, SEGINA, WALKER-MONTGOMERY, TEDESCO, DELLAPENNA, SOLES..... 7

NAYS: NONE..... 0

- Mayor Cherepko said the next appointment is to the Recreation Commission and he asked the Solicitor if he should technically wait until they wait until they vote on the Ordinance.
  - Mr. Elash said because the Ordinance expands that Board from nine to eleven, they have to wait until the Ordinance is passed.
  - Mayor Cherepko said the other appointment he has is for the Recreation Board and he will go through it now so he doesn't have to take a long time later and will make it short and to the point as he possibly can. He said the Recreation Board has not been updated for some time and they had a lot of people who have been serving on the Rec Board who really were not official members. He

said what they have done is taken the recommendation of the Recreation Board themselves and the ones that are involved now to come up with a list of eleven Board members who they know are focused and very active members rather than just showing up and voting on different issues. He said they are in the community. He said they want to expand upon the Recreation and the things. He said Jim Brown has done a great job along with the Recreation Board and he knows the Board is looking to expand and do more things throughout the community. He said his career prior to this as an educator and his interest in the youth is something that he thinks is fantastic. He said all of these programs won't just be for the youth because there are Senior Programs also that the Recreation Board runs. He said they had an Ordinance on there that has seven members and they are expanding that to eleven members this evening. He said he will honor these recommendations given by the Recreation Board. He said he will make those appointments by name later. He said he would recommend that Council approve that Ordinance when it comes up for a vote.

- Mayor Cherepko said the only other thing he wanted to say is that to clarify the record is when he was talking about the straw purchasing is that what he meant last evening when it was mentioned about if there was an ordinance to enforce stronger penalties on the straw purchasing itself and once they catch the straw purchaser, that would be something that he would for 110%. He said thank you and that concludes his report.
- Mr. Segina said does anyone have any questions for the Mayor. He said while they are here he would like to introduce the Administration. He said they have Jim Brown from the Recreation Department, Fire Chief Kevin Lust, Bethany Budd Bauer from Community Development Department, Thomas Green representing

the Police Department and of course, Matt Gergely is here too.

### **COUNCIL REPORTS:**

- Mr. Tedesco said he would like to send his condolences to the family of Mr. Brown. He said they have the Home Rule Charter Committee. He said Mr. President asked him to name three citizens. He said first he wanted to thank all of those who maintained an interest and contacted him about wanting to be a part of it. He said the three members are Mustafa Musa, who attended the University of Pittsburgh for respiratory therapy and worked as a respiratory therapist for UPMC and the VA; John Yost who attended Duquesne University for finance and is a former employee of the US Treasury for 10 years and currently is a film actor and producer; and Assunta Tyskiewicz, who graduated from Edinboro University and is a retired school teacher who worked for Pittsburgh City schools and is currently also the treasurer for the Carnegie Library of McKeesport's Board of Trustees. He said he thinks this is a good group and one thing he likes about it is that these three have never run for office and have no intention of ever running for office. He said he thinks those three along with Mr. McCall, Mr. Dellapenna and Ms. Walker will give them good balance on this committee. He said what he does want to have eventually within the next couple of months is a public hearing so that any citizen that has a concern or suggestion can bring that so they can listen. He said they are not here to debate them, they are here to listen. He said he has given those three members a copy of the Charter for them to digest. He said they are looking for their first meeting within about a month, once he can work out some sort of scheduling plan with Patty to come here and meet and it should be sometime in May.

- Mr. Segina said would Mr. Tedesco also mention the Council people who are on that committee.
- Mr. Tedesco said he did.
- Mr. Segina said he was talking to Jason. He said they need a motion to appoint these members to the Home Rule Charter Committee formally so they have them on record.

**MOTION: Ms. Walker-Montgomery moved, seconded by Mr. McCall, "To appoint Mustafa Musa, John Yost, and Assunta Tyskiewicz to the Home Rule Charter Committee."**

**RC-7** YEAS: McCALL, CARR, SEGINA, WALKER-MONTGOMERY, TEDESCO, DELLAPENNA, SOLES..... 7

NAYS: NONE..... 0

- Mayor Cherepko said he just wanted to comment and say he looks forward to seeing what they come up with on the committee. He said he wanted to let them know that even though he is not an official member, he would be more than willing to attend the meetings and take part in them also so they can keep that communication between Administration and Council open.
- Mr. Tedesco said all of their meetings are going to be open to the public.
- Ms. Walker-Montgomery said she would also like to give her condolences to the Brown family. She said Mike what about the thing for volunteers.
- Mayor Cherepko said Councilwoman Fawn Walker-Montgomery contacted him and they wanted to do something special for the volunteers. He said all too often ... April is National Volunteer Month ... they take for

granted the number of volunteers they have in the community, people who just want to help out in one way or another and get nothing in return other than just to be part of making McKeesport a better place to live. He said they have done a Proclamation on behalf of the Mayor and City Council. He said they did not want to pick out any individuals to accept this because no matter what they can come up with a couple thousand of them. He said no matter what somewhere they would still miss a volunteer out there because there are just so many people who do things and volunteer. He said there are people who volunteer on their own that no one even knows about whether it is when they take a walk down the street and are picking up garbage or whatever it may be. He said what they did is they do have a proclamation that they can have on display whether in Patty's office or the Mayor's office down at City Hall or wherever Council would like instead of actually presenting it to someone. He said between the weeks of April 15 and April 21 this will be Volunteer Week in the City of McKeesport and it will be an opportunity to not only thank all of our Volunteers in the Community but if you or someone wants to take part and volunteer it will be an opportunity to do so as they have picked that week to honor all the Volunteers throughout the community. He said he will read the Proclamation.

*Whereas, each individual has some special contribution to offer for the benefit of others and his services are urgently needed by the agencies and organizations that work to solve community problems and meet human needs; and*

*Whereas, the basic ingredient in the foundation of this nation is a voluntary acceptance of initiative and responsibility by private citizens and voluntary organizations and this factor is largely responsible for the progress and development of our great country; and*

*Whereas, many citizens of this community contribute to the wellbeing of fellow residents and the welfare of all of our citizens by giving tirelessly of their time and energy without desire for recognition or personal gain; and*

*Whereas, for many years these individuals and organizations have worked quietly often unnoticed and unappreciated by the general public;*

*Now therefore, as the Mayor of the City of McKeesport, and on behalf of City Council, I hereby declare the week of April 15 through 21, 2012, as Volunteer Week in our City and hereby commend our Volunteers for their exceptional service and extend to them our sincere appreciation for their many contributions to the community.*

- Mayor Cherepko said he was sorry about forgetting that.
- Ms. Walker-Montgomery said she wanted to recommend to the Council and the Mayor ... she just graduated from that newly elected Officials course. She said it was an excellent course and was referred by Council President Segina when she first started. She said she actually paid for half of it and sought a scholarship for the other half. She said in the future she thinks that maybe they should only send a couple people to Seven Springs and then spend the rest of it on that. She said it is very helpful and was an excellent resource. She said in the future maybe they can put something to the side to send Council members. She said it wasn't just for Council it was for anyone who works for the City as well.
- Mayor Cherepko said he thinks it is something they can definitely look into. He said all too often Seven Springs is looked upon as a vacation and they hear people talk and a lot of naysayers talk about a vacation and they are up there on taxpayer's dollars. He said he can't speak

on behalf of everyone on Council but he will say if they were not at Seven Springs ... and he is not going to take the full credit but he believes they were extremely instrumental in delaying and suspending a state law that was passed that could have been detrimental to the City. He said he knows he have seen the Council people up there attend many workshops and many informational sessions up there and a price cannot be put on that. He said he personally has come away with many wonderful things that happened in those workshops up there not to mention the networking that occurs. He said they can't put a price on collaborating with other representatives from other municipalities who are experiencing a lot of the same issues that they are. He said he sat down one evening and had a two-hour conversation with officials from Penn Hills, which is another large municipality like McKeesport and has a lot of the same issues. He said it is one of those things that he just doesn't want putting money toward Seven Springs looked at as a negative thing because he truly believes that for the Council members that were there and the representatives that were there, it was extremely beneficial to the City. He said he will be honest, it is something that he personally, because of the benefits that he believes they reap from it, would not want to see taken out of the budget. He said that is the only conference that this Council goes to each and every year. He said with the financial constraints that the City is in; it is something that he truly thought about. He said he knows he saw everyone in these meetings and the information was wonderful. He said the fact that they may have been instrumental in holding up a state legislation that was going to pass ... and the networking is priceless. He said he will take that into consideration and he thinks they should budget for other things if people want to go to training. He said he thinks that is something they have in there in the budget now. He said he thinks there are ways to find it even if



he has to take it out of the Mayor's budget somewhere on his end if it is not specifically in there.

- Ms. Walker-Montgomery said yes because Seven Springs is something that she has been to twice and she was not speaking bad about it, she was just saying it may be limited.
- Mayor Cherepko said oh yes, right.
- Ms. Walker-Montgomery said she appreciates the Mayor responding to her question of last night. She said of course they will agree to disagree which is absolutely fine and they will move forward on it. She said they are not doing the ordinance, they are just doing the resolution.
- Mayor Cherepko said if it was an ordinance, because they are running into some legal problems in the municipalities with those ordinances, that is why he wanted to go on record. He said he also owed her a response.
- Ms. Walker-Montgomery said she appreciates that. She said last month they talked about the ordinance on Tobacco-free playgrounds and asked Jason where they were on that ordinance.
- Mr. Elash said he is working with Councilman Carr and trying to get something drafted and come up with safe-smoking zones at the different playgrounds where they can smoke. He said he thinks they have to visit most of those and figure out where to put these.
- Mayor Cherepko said the last he heard and he could be wrong unless Councilman Carr wants to take this, it seems to be that they wanted to do and go above and beyond than just saying no smoking in playgrounds and they are trying to work out the legalities of common areas such as if they are going to have no smoking at

certain times like at the bandshell during concerts then they have to have a designated smoking area somewhere. He said he is not sure exactly what is going on there but that is what Councilman Carr has communicated to him.

- Mr. Segina said he thinks Mr. Brown should be involved in that also because he is sure he could tell them a couple of spots ... he mentioned about the Lake down there where they throw cigarettes into the Lake and the ducks go after them. He said there might be some other places like the goldfish pond also.
- Mr. Carr said he doesn't mean to interrupt but Mr. Brown is involved and they have been keeping in contact with him. He said these are primarily for these events, these areas, if someone were smoking in a playground or in the stands and there was not an event or game going on, it is different than if there is a game going on. He said this would encompass them to go out to an area. He said they don't want to alienate a smoker, so they want to give them areas. He said this takes a little more time and planning and they are planning.
- Mr. Segina said they will be getting the necessary signs too that are offered to them.
- Mr. Carr said the signs are free from the County. He said they will give them signs that they are not allowed to smoke but they may have to come up with signs that say this is the designated area because no one wants to put their name on a designated area to smoke sign because no one says it is okay to smoke. He said that way they are working on it and it just takes a little bit of time because it is an ordinance and more than a resolution like what was presented to them.
- Ms. Walker-Montgomery said she is done.

- Mr. Dellapenna said he had nothing to report.
- Mr. Soles said he had nothing to report.
- Mr. Carr said he had nothing to report.
- Mr. McCall said he has a few things. He said tonight on their agenda they have a Bill #24 that they are looking to Table and he wants to remind Council that this should not even be on there. He said it was a Resolution that was passed in January and was passed by a 7-0 vote. He said just so they are aware of it, why they keep coming back to this he doesn't know. He said it is something about contracts or whatever. He said it has already been approved and the contract was initiated from his understanding. He said last night they got into a heated discussion in an Executive Session and the Home Rule Charter comes into effect again. He said he is glad they are going to get this on board Mr. Tedesco but until then he thinks they need to have Council read the Home Rule Charter and understand what the Home Rule Charter states. He said he is not saying that they don't know but some people try to bend it a little bit. He said to bend it you have to go to court and he really doesn't want to have to deal with things like that. He said trying to bully a Council to put something through, those days are gone ... this is not the 40s and the 50s. He said it is time to own up, there was a 7-0 vote and they have to move forward. He said in the Executive Session that they had was very interesting because usually when you have an Executive Session called there is a note or memo telling you what it is all about. He said he was under the impression they were going to talk about Ms. Walker-Montgomery's ordinance that she wanted to pass. He said they did not and he feels bad about that because they probably could have gotten some things straightened out back there. He said the legislative branch of the City sits right here and it is seven members and that is who should have been in that Executive Session. He said that is who is making the decisions about whether to go forward or

not. He said apparently Fawn they did not get a chance to do it until they come out here and it was short-lived.

- Ms. Walker-Montgomery said yes.
- Mr. McCall said he feels bad about that, he really does. He said the other bill that they are looking tonight is Bill #29, which is Fawn's. He said as she knows, he was a proponent of doing that until he looked at some things and found that they just don't have the structure in the City after talking to some people to do this with their small body of people. He said he knows, like he said before, the Mayor has his Department Heads which is actually a City Committee because every week he has a meeting with those people. He said he feels they sit there as Council and they can ask him and can attend those meetings. He said if they have problems, see stuff they need to deal with they can go sit in on those meetings, and talk to his people right there. He said everybody is there and they can get their answers and bring them back to Council or whatever they needed to do. He said the way that those are written up, they are good but they just don't have the people. He said a committee is not two people, there should at least be three so there is a way to agree to disagree. He said that is how he feels about that right now. He said they want to move forward in this City no doubt. He said when the Mayor took office in January they got a big surprise and in February, they got a bigger surprise and in March, it grew. He said this is how he finds out information; he asks questions and talks to the Administrators. He said they have some tough decisions to make in the near future. He said one of them he doesn't know how it is going to work but he has to take his hat off to the Mayor and Mr. Gergely because they learned well and are out there pounding the pavement every day trying to find some things. He said they are not being negative. He said they have to move forward

and have a bill that should have been paid that was approved last year and still has not been paid. He said he would hate to see this vendor turn around and sue them. He said if he is not mistaken that Bill was passed and they told the Administration to pay that Bill while the Mayor was sitting on Council. He said he wants to know if the Bill is getting paid.

- Mayor Cherepko said it has been controversial and if it is something they want to make a motion on to pay because they are trying to do things by the books. He said if Council tells him to pay it, he will pay it. He said he thinks it should be paid if they want his opinion.
- Mr. Segina said it was never passed by Council.
- Mayor Cherepko said there has been debate on that and if they want to pass it, they can make a motion and vote on it. He said it was a bill that was argued about last year and has been acknowledged by the Administration and a bill that they rightfully owe.
- Mr. McCall said it is a bill that they sat here and Mr. Pittman said to give him the order and he would pay it and Mr. Cherepko told him to pay it because it needed to be paid and was budgeted to be paid. He said that is how it went Mr. Segina.
- Mayor Cherepko said let's not argue about that.
- Mr. McCall said this is a local vendor. He said if they are going to treat the local vendors like this, how are they going to treat the ones outside the City.
- Mr. Segina said why do they buy their tires in Greensburg.
- Mayor Cherepko said because they are cheaper.
- Mr. McCall said because they are cheaper, Darryl.

- Mr. Segina said prove it to me.
- Mr. McCall said why don't you buy yours up on Route 30.
- Mayor Cherepko said wait a minute. He said let's not start arguing. He said here we go again. He said can assure him because one of his very good friends owns Pennzoil and sells tires like crazy. He said he would love to give him the business and is the cheapest around but he has not shown him that he can compete with the prices that they are getting on tires. He said he has already taken the exact tire and model number and he cannot get them for the same price.
- Mr. Segina said Mayor that is fine.
- Mayor Cherepko said he is just saying because he made that comment. He said he doesn't want to argue.
- Mr. McCall said tires have nothing to do with this. He said he is asking if they can get this vendor paid. He said he is going to make the motion to get this vendor paid and it is \$12,000 something and we have the product and the product is installed and has been there for two years.
- Mayor Cherepko said he doesn't know how long it has been there. He said they do have the product and it has been installed.
- Mr. McCall said he would like to make the motion that they pay this bill.
- Ms. Walker-Montgomery said could you please explain to the public what this is about.
- Mr. McCall said this is the monument bill.
- Ms. Walker-Montgomery said it is the bill for Design Monuments.

- Mr. McCall said it is a bill for Design Monuments.
- Mr. Tedesco said just to clarify apparently some time ago there was an issue of how the order came through for these monuments but either way the work was done. He said his take is that it was not the vendor's fault and it was an internal problem in the City.
- Mr. McCall said they said there was not a signature on the invoice. He said they had the person put the signature on the invoice.
- Ms. Walker-Montgomery said there was just a lot of confusion internally like they said. She said she agrees with A.J. that it was not the vendors fault, she was doing what she was told to do by the Administrator. She said she thinks they should vote on it to pay it because it is not her fault and she did her work.
- Mr. Segina said let me add on that Design Monuments ... there were two monuments put out at Renziehausen Park, one by the Goldfish Pond and one by Lake Emily. He said in addition, there was also a separate but combined monument to Mr. Bendel down here at the lighthouse that was \$7,500 after he died. He said so it is a combined \$12,500 that Design Monuments is due and it is way past due. He said he would like someone to put a motion on the floor to pay Design Monuments \$12,500. He said that money will come out of Liabilities and Claims and he mentioned that last night to Mr. Gergely.

**MOTION:      Mr. McCall moved, seconded by Mr. Tedesco, "To direct Administration to pay Design Monuments' bill in the amount of \$12,500."**

**RC-8      YEAS:**      McCALL, CARR, SEGINA, WALKER-MONTGOMERY, TEDESCO, DELLAPENNA, SOLES..... 7

NAYS: NONE..... 0

- Mr. Malinchak said for the benefit of Mr. Gergely that account is 46151 rather than have him look all through these pages.
- Mayor Cherepko said how much is in that account, about \$60,000.
- Mr. Malinchak said \$95,000.
- Mayor Cherepko said yes, they had it at \$200,000.
- Mr. Malinchak said last year they budgeted at \$250,000 and they only spent \$44,844.
- Mr. Segina said Governor Corbett you cut it ... oh I'm sorry, Mayor Cherepko you cut that.
- Mr. Segina said he would like to start out by congratulating Fawn for attending the Local Government Academy to secure more knowledge to do her job better at her own expense too. He said she graduated which is good. He said congratulations. He said naturally he disagrees with Mr. McCall because they did only approve the appointment of Mr. Elash to the position of City Solicitor. He said they have to have a contract to outline the guidelines for his recompense. He said they already decided upon \$1,500 a month as a retainer fee and he has discussed this several times with Mayor Cherepko both animatedly and in a calm manner too. He said they are going to meet this coming month to hammer out something that is agreeable and naturally both parties have to agree to the contract and they will try to do that sometime during the month of April so they have knowledge of what the guidelines of his position is and how it is to be performed.
- Mr. McCall said Mr. Segina needs to read the Home Rule Charter, it will tell where the guidelines are.



- Mr. Segina said he doesn't need to read anything, Mr. McCall, he has the floor.
- Mr. McCall said yes you do, you do, you need to read this.
- Mr. Segina said if you don't mind, I have the floor.
- Mr. McCall said you need to read this Mr. Segina.
- Mr. Segina said he has the floor, Mr. McCall.
- Mr. McCall said he can have the floor.
- Mr. Segina said Mr. McCall told him when he had the floor.
- Mr. McCall said fine, he is just telling him to read his Home Rule Charter, his guidelines are put there. He said the Mayor has that. He said our Solicitor is a Department Head.
- Mr. Segina said he asked Mr. McCall to be quiet, it is his floor.
- Mr. McCall said then he can run the sweeper.
- Mr. Segina said this is typical of Mr. McCall's remarks that he makes during these meetings. He said they had an Executive Session last night and he did not want Mr. Malinchak back there at the Executive Session while he was thoroughly involved in what they were talking about. He said when he calls Executive Session, it is his agenda, his time, and he can call whom he wants into those meetings for whatever reason. He said they had a thorough 45-minute conversation about the contract itself and there was nothing else to be mentioned. He said if there is any discussion or comments on other bills here they can do it before it is passed.
- Mr. McCall said Mr. Segina needs to read the Charter.

- Mr. Segina said he doesn't need Mr. McCall to comment, would he please be quiet. He said he is telling him for the last time.
- Mr. McCall said what is trying to do bully him.
- Mr. Segina said would Mr. Osinski please remove him from the building.
- Mr. McCall said do you want him to remove me from the building. He said he will go, Joe, he will go. He said he just wanted to let everybody know that Council does not have the right to write up a contract. He said Mr. Segina please learn the Home Rule Charter. He said he has forgotten more than Mr. Segina knows.
- Mr. Segina said it shows.
- Mr. McCall said good night ladies and gentlemen.

(Mr. McCall left the meeting.)

- Mr. Segina said he is sorry for what they witnessed but this has been a long time coming. He said he will not take that from anybody to make fun of anything that is going on in this meeting. He said it is very serious. He said if they have an opinion that is fine but to mock someone else that is a different story and he will not stand for it. He said he is President of Council and demands that respect and he will set the Agenda. He said he is not trying to be a hard rear-end about it, but that is the way it is when they put him in as President of Council. He said if he read the Home Rule Charter, maybe someone read it to him, he has no idea. He said speaking of unfinished business, there is also a Bill they have been having lingering around ....
- Mr. McCall said that he is Vice-President of Council and he follows the Home Rule Charter and that is what Mr. Segina was put in that seat to do.

- Mr. Segina said would Mr. Osinski please remove Mr. McCall from the building. He said sometimes he doesn't even have to say anything and you see what is going on. He said there is a Bill that is payable to Ray Malinchak for an investigation last August and it is way overdue. He said the Mayor and he have been discussing this also and sometimes they agreed and sometimes they didn't. He said he would like to have a motion to also have that bill paid for \$5,700 for an investigation done on the collection of garbage back in August. He said it is going to come out of the legal fees, legal costs. He said can he have a motion to that effect.

**MOTION:**      **Mr. Tedesco moved, seconded by Ms. Walker-Montgomery, "To direct the Administration to pay Mr. Malinchak's bill in the amount of \$5,700 for the investigation done on the collection of garbage."**

**COMMENTS:**

- Ms. Walker-Montgomery said she just wants to let the public know what is going on. She said they voted last year to do an investigation on Nickolich and that vote was 7-0. She said at that time the Mayor was Council President and he did send out certified letters and made phone calls. She said he never heard from anyone to actually do the investigation. She said Mr. Malinchak had been in communication with individuals from a company to do an investigation and they did tell him to wait until he got word from Council and the Mayor and he did it anyway and they did tell him they would not be agreeable to pay him. She said she remembers that meeting, however since they did vote 7-0 to do an investigation and they have one that is done, she does believe that they should go ahead and pay him so that they can actually see that investigation. She said that is where she is coming from with it. She said she knows the Mayor is going to respond to that.

- Mayor Cherepko said he would like to go on record because of the way he worded that. He said he wanted to make it very clear by no means was he ever in favor of paying this bill. He said it is actually in his opinion illegal to pay this bill. He said when he said he was in agreement because they need to get over all this stuff, there is no question about that but the Charter once again is very clear and not quite as ambiguous as people think. He said Section 1309 of the Charter, No. 7 on Official Authorities, Duties of the Controller, "The Controller shall conduct investigations within the City of McKeesport on official affairs upon majority action of Council for him to do so." He said he can assure them that there was not a majority action of Council for him to conduct an investigation. He said therefore he did it without permission. He said secondly he doesn't have a product. He said he completed an investigation and he was President of Council and he is now Mayor, and he has yet to see it. He said he would never pay for something that he has not seen. He said has she seen it, has anyone on this Council seen the results of this investigation.
- Ms. Walker-Montgomery said no, he won't show it to them until they pay him.
- Mr. Tedesco said is Mr. Malinchak willing to produce the report.
- Mr. Malinchak said thank you Mr. Tedesco. He said he will respond to Mr. Tedesco first. He said right now because this is an ongoing investigation, he is not authorized or privileged to share this with Council, however once this investigation is either terminated or completed he will share this Council. He said there is an ongoing investigation then obviously this is key to the investigation. He said also he would like to respond to Mr. Cherepko. He said if they look at Section 1303

under the Controller under the Salary, it says, "the City Controller shall receive no pension, insurance or other forms of fringe benefits. He shall, however, be entitled to his actual expenses incurred to perform his duties." He said if they want to talk about vagueness in the Home Rule Charter, that is vague.

- Mayor Cherepko said that is not vague sir.
- Mr. Segina said he doesn't want to have any more conversation.
- Mayor Cherepko said he needs to make a comment here. He said he is not going to finish with the last word. He said Mr. Malinchak said it. He said Mr. Malinchak has a right to be reimbursed for his duties but his duty was to do an investigation upon majority action of Council. He said he can assure him as Council President that he did not have four votes to do an investigation. He said that he can assure him so that was not his duties so therefore he should not be reimbursed. He said therefore it is illegal on that end and it is illegal on the second end. He said he doesn't know about them but if he is paying someone to work on his house or paying to buy a car, he is not paying anyone until he has the product. He said if it is up there in limbo, then it needs to stay up there in limbo but the Council needs to make that decision and that is a decision they have to live with. He said he can assure them that he doesn't carry the weight, he is just telling them what is right or wrong when it comes back to bite them and don't say he didn't warn them.
- Mr. Segina said there was some unfinished business, more than just these two bills they are talking about, and he and Mayor Cherepko sat down at lunch and went over them. He said it was agreed upon that they would take care of that particular bill for Design Monuments and also this one as a matter of just getting it out of the

way. He said there is no doubt in his mind about what is going to happen with this and whatever way anyone votes, it is up to them. He said the results will come out later on and everyone will see what is going to happen. He said right now he would like to take a roll call on the bill.

- Mr. Carr said as it stands he is not sure if he has enough information and would abstain so for what information he has if they make him vote he would vote no.

**RC-9** YEAS: SEGINA, WALKER-MONTGOMERY, TEDESCO . 3  
 NAYS: CARR, DELLAPENNA, SOLES ..... 3  
 ABSENT: McCALL ..... 1

- Mrs. Williams said there are three Yeas, three Nays and one Absent.
- Mr. Segina said that is okay they had to bring it up and have them vote one way or the other on it. He said he is sure the situation is not done. He said he is not playing favorites here but the bill was there and so they went ahead and voted.
- Mr. Segina said one other thing is that Lani Temple is here this evening. He said they have this beautiful book that is put out by Blueprint Technology Committee. He said if Lani would come up and speak a few minutes about the book.
- Ms. Lani Temple said this is the book they have been working on that they hope will show the City for what it is and for all the things that are in the City. She said the nice thing about this is that it cost the City nothing. She said they did this through a grant through the Blueprint Community Initiative and they have been working on it and they actually made a little bit of money on it. She said they will now have a website for all the organizations that belong to the Blueprint Community

Initiative. She said it is a very, very nice book and she hopes they all have it. She said it is free and costs nothing. She said it will be handed out to the various banks, will be in City Hall and in all the organizations that are mentioned in the book. She said it is a very nice marketing tool for the City. She said the other nice thing about it is that if they ever decide to do another book, they own the rights to this at Franklin Press and they can actually get the layout from them if they want to go somewhere else. She said they don't have to buy it again and have a design already.

- Mr. Segina said this is also available at the Library. She said she thinks Lani has some copies here, a limited number of copies.
- Ms. Temple said she has a limited number of copies. She said she could not carry them all so they can stop down at City Hall and get them or at the bank. She said they will be at PNC Bank, Dollar Bank, Huntington Bank and all of the places that are named in the book.
- Mr. Segina said this is also good for people who are just coming into town or those who moved here recently. He said all of the organizations and services in the City are in the book. He said the community services that are offered through the different organizations are also listed. He said he has a copy here that he doesn't need because he can get one from Lani later on so if anyone wants his copy.
- Ms. Temple said she will leave these.
- Mayor Cherepko said thank you Lani. He said once again it is very impressive and very nicely done.

**CITIZENS IN THE AUDIENCE:**

There were no Citizens in the Audience who wished to speak.

**TABLED BILLS:**

**BILL #24: A RESOLUTION OF THE CITY OF McKEESPORT, ALLEGHENY COUNTY, PENNSYLVANIA, APPROVING THE FEE AGREEMENT FOR J. JASON ELASH, ESQ. AS CITY SOLICITOR.**

Mr. Segina said this Bill will remain on the Table.

**NEW BUSINESS:**

**ORDINANCE #12-6 – BILL #25: AN ORDINANCE OF THE CITY OF McKEESPORT, ALLEGHENY COUNTY, PENNSYLVANIA, TO BE ENTITLED "ABANDONED REAL PROPERTY"; PROVIDING FOR PURPOSE, INTENT AND APPLICABILITY OF THE ORDINANCE; REQUIRING THE REGISTRATION AND MAINTENANCE OF CERTAIN REAL PROPERTY BY MORTGAGEES, PROVIDING FOR PENALTIES AND ENFORCEMENT, AS WELL AS THE REGULATION, LIMITATION AND REDUCTION OF ABANDONED REAL PROPERTY WITHIN THE CITY; PROVIDING FOR SEVERABILITY, REPEALER, CODIFICATION, AND AN EFFECTIVE DATE.**

**MOTION: Mr. Tedesco moved, seconded by Mr. Dellapenna, "To adopt Bill #25."**

<b>RC-10</b>	YEAS:	CARR, SEGINA, WALKER-MONTGOMERY, TEDESCO, DELLAPENNA, SOLES.....	6
	NAYS:	NONE.....	0
	ABSENT:	McCALL .....	1



- RESOLUTION #2012-19 – BILL #26: A RESOLUTION OF THE CITY OF McKEESPORT, ALLEGHENY COUNTY, PENNSYLVANIA, APPOINTING WILLIAM R. MILLER AS EMERGENCY MANAGEMENT COORDINATOR FOR THE CITY OF McKEESPORT.**

<b>RC-11</b>	YEAS:	CARR, SEGINA, WALKER-MONTGOMERY, TEDESCO, DELLAPENNA, SOLES.....	6
	NAYS:	NONE.....	0
	ABSENT:	McCALL .....	1

**RC-12** YEAS: CARR, SEGINA, WALKER-MONTGOMERY,  
TEDESCO, DELLAPENNA, SOLES..... 6

NAYS: NONE..... 0

ABSENT: McCALL ..... 1

- Mr. Segina said the \$25,000 is a gift from the Economic Development that they accepted graciously.

**RESOLUTION #2012-21 – BILL #28: A RESOLUTION OF THE CITY OF McKEESPORT, ALLEGHENY COUNTY, PENNSYLVANIA, AUTHORIZING THE PROPER CITY OFFICERS TO ENTER INTO AN AGREEMENT WITH CONSTELLATION ENERGY OF PENNSYLVANIA, INC. FOR THE PURCHASE OF ELECTRICITY FOR ALL CITY PURPOSES FOR A TERM TO EXPIRE OCTOBER 2014.**

**MOTION:** Mr. Tedesco moved, seconded by Mr. Dellapenna, "To adopt Bill #28."

**COMMENTS:**

- Mr. Segina said this is what they did to get the best price on electrical bill. He said that is what they do here and what people do at home. He said they did the same thing here.

**RC-13** YEAS: CARR, SEGINA, WALKER-MONTGOMERY, TEDESCO, DELLAPENNA, SOLES..... 6

NAYS: NONE..... 0

ABSENT: McCALL ..... 1

**BILL #29: A RESOLUTION OF THE CITY OF McKEESPORT, ALLEGHENY COUNTY, PENNSYLVANIA, CREATING THREE STANDING COMMITTEES FOR COUNCIL AS FOLLOWS: 1. COMMUNITY DEVELOPMENT TO INCLUDE ISSUES OF ORDINANCE ENFORCEMENT AND BLIGHT; 2. FINANCE & TAXES AND 3. PUBLIC SAFETY TO INCLUDE POLICE, FIRE AND COMMUNITY SAFETY/VIOLENCE.**

**MOTION:**      **Mr. Tedesco moved, seconded by Mr. Soles,  
"To adopt Bill #29."**

**COMMENTS:**

- Mr. Segina said they talked last night about making this a temporary situation to see how this flies through the rest of the year. He said are they all in compliance with that. He said do they want to do that.
- Ms. Walker-Montgomery said that is fine.
- Mr. Segina said or do they want to let it go altogether.
- Mayor Cherepko said if he may comment, Mr. President.
- Mr. Segina said he may.
- Mayor Cherepko said as he said last evening he spoke of his concerns on this. He said his concerns were that with any committee or board that this Council puts into place, which they have that right to do, they would want to construct a board or committee that has some sort of power or some sort of Authority to actually be a Board or Committee. He said he just ... and he doesn't claim to be the most intelligent person in the world but he still does not understand what this resolution does. He said his understanding from what he gets ... and he knows he and Fawn went back and forth last evening and if she can explain it to him, that is fine but it is what they can do now. He said when he was on Council for eight years, he was constantly talking to Councilmen and talking about different things that could be done and talking to the Mayor and things of that nature. He said what is different ... what is this resolution doing that is any different. He said to him it just doesn't make sense why they would put something like this on there and pass something like this. He said it is almost like ... he feels like a bunch of Junior High kids role playing like a Council. He said if it is doing something then fine, he is just very confused by this.

- Ms. Walker-Montgomery said she would not ... and she does not know if he was trying to be insulting but she would not call it Junior High age because she put a lot of work into it and this is something that they have been talking about for a couple of months actually. She said we meaning Council. She said she would not call it Junior High age.
- Mayor Cherepko said what does it do. He said it is like they are sitting around and ....
- Ms. Walker-Montgomery said if he would let her respond.
- Mayor Cherepko said sure, enlighten me.
- Ms. Walker-Montgomery said wow, okay. She said so the way she looks at it is that this is an educational opportunity for Council members. She said these are not oversight committees. She said the reason she wrote it in there that they had to go through him to get Department Heads to come to the meetings if they want them to come was because that was what they all said when they met about it. She said that is the reason she put that language in there. She said she is doing this now as he knows. She said she does talk to Department Heads and she does talk to him constantly. She said she texts him and calls him and emails him all the time.
- Mayor Cherepko said absolutely, he is not questioning that.
- Ms. Walker-Montgomery said she knows other people on Council do that too. She said this just puts an action plan into place. She said if they do not plan they will fail. She said this is a plan that they are starting off with and of course things can be amended so things can be added to it. She said it is Council committees for Council to get together to discuss policy and legislative changes that happen within these committees as well as to develop resolutions and develop ordinances. She said this is something that happens in local communities and local governments all the time. She said the School District has committees, the City of Pittsburgh,

Monroeville, Mt. Oliver, Mt. Lebanon, West Mifflin, and the list goes on and on. She said there are various local governments that run with Council that sit on certain committees. She said their Home Rule Charter limits them to do certain things. She said it limits them to form committees, to create and vote on resolutions and ordinances. She said this gives them an opportunity to come together and do that. She said can they do that now, yes, they are just putting structure into it and a plan of action in place. She said that is how she feels. She said now there is no structure, no rules, no plan of action. She said now there is actually ... and Mike doesn't have to be involved in this at all only with the Department Heads. She said they will come here every month and permit their report to the Council, the public and the Mayor and then they will go from there. She said nobody is going to be calling him or harassing him so it won't be like that at all. She said if anybody throws their weight around, she thinks she has proven at this point that she is highly persistent and if that happens she will get on her fellow Council members. She said she has more confidence in them that she doesn't believe that they will do that.

- Mayor Cherepko said his question comes in and they have these committees all over the place and they have power and have authority to be a committee and vote on things. He said what did she just say that they are going to do that they can't already do.
- Ms. Walker-Montgomery said they are going to get together like she just said ....
- Mayor Cherepko said which they can do now....
- Ms. Walker-Montgomery said people on Council are going to get together are going to get together in structured form and the meetings are all going to be in the public. She said they are going to do that. She said she doesn't know what else she has to say.

- Mayor Cherepko said oh, so all of your meetings are going to be public meetings.
- Ms. Walker-Montgomery said yes, that is what is in the ordinance, the resolution.
- Mayor Cherepko said and they are going to just talk about things.
- Ms. Walker-Montgomery said and they are going to develop ordinances and resolutions. She said that is how you develop ... when you talk. She said he acts like he doesn't talk to do those things. She said they are going to do research as well. She said when she gets her packet, she does research. She said they have four days or less to vote on these and they don't have a lot of time. She said this way they can get together ....
- Mayor Cherepko said his question is that they can do that now.
- Ms. Walker-Montgomery said they are not doing it now.
- Mayor Cherepko said she is sitting there and saying ... if he was there he would say okay Dan and Keith ....
- Ms. Walker-Montgomery said what is it going to hurt by putting a structure in place. She said why is that hurting him so bad.
- Mayor Cherepko said it is not hurting him, it is just a waste of time.
- Ms. Walker-Montgomery said well if it is not hurting him and how it is a waste of time for Council to get together....
- Mayor Cherepko said what he wants to make very clear ....
- Ms. Walker-Montgomery said ... and develop ordinances and resolutions.

- Mayor Cherepko said ... then just do it, why is it ....
- Ms. Walker-Montgomery said she is doing it, who does he think drew up the two Resolution that he is looking at. She said she did.
- Mayor Cherepko said she what?
- Ms. Walker-Montgomery said she did that. She said she just told him what it is going to do.
- Mayor Cherepko said she is putting information together?
- Ms. Walker-Montgomery said if he is going to ....
- Mayor Cherepko said listen Fawn, he is not going to argue with her. He said he is going to make something very clear.
- Ms. Walker-Montgomery said she is not going to argue with him either.
- Mayor Cherepko said he has no problem sitting here meeting with Council people whenever they want.
- Ms. Walker-Montgomery said she never said this was anything about him. She said this was not about him. She said this is not about him.
- Mayor Cherepko said he has no problem having Department Heads meeting with them. He said what are the committees ... the committees are ... she can do what she wants to do but she does understand to speak with any Department Heads it has to go through him.
- Ms. Walker-Montgomery said she knows and it is in the Resolution. She said it is in there. She said it is written in there and it says that.
- Mayor Cherepko said he just wants to make that very clear.
- Ms. Walker-Montgomery said it is in there.

- Mayor Cherepko said so they are going to have committees just to have them.
- Ms. Walker-Montgomery said it is in there. She said if that is the way he feels about his Council then so be it.
- Mayor Cherepko said listen, this is ....
- Ms. Walker-Montgomery said if that is the way he feels about his Council so be it Mike. She said they are not going ....
- Mayor Cherepko said it is not the way he feels about his Council. He said the way he feels about his Council, it is the way he feels about this Bill.
- Ms. Walker-Montgomery said that is what his mouth is saying so they are going to agree to disagree and it is on there. She said if that is the way he feels about them then now they know.
- Mr. Segina said okay, Mr. Carr.
- Mayor Cherepko said it is not about any individual.
- Mr. Carr said he would just like to address this quickly. He said President Segina had already mentioned that he had wanted to go from a whole term to a six month term so with his previous experience, he would think that he has some knowledge in this and they would have some concern. He said he would have to take that into this thought process and he thinks it is not a bad thought process. He said he and Fawn have talked about this but he is against making it a resolution. He said he is sure her intentions are good but he thinks a resolution would make it an adverse reaction which is kind of what they are seeing right now. He said he thinks it would be viewed as an oversight committee. He said he thinks she was already quoted in language as saying they would not abuse their power but then he is acknowledging there is power if they are trying to make some language that can be disputed.



- Ms. Walker-Montgomery said she did that because they told her to do it.
- Mr. Carr said he realizes that but he is saying that she is acknowledging power.
- Ms. Walker-Montgomery said if he realizes it then don't say she said it because they told her to put it in there.
- Mr. Carr said that was a quote. He said that is what made him think about this because they are acknowledging that they are trying to get this power situation. He said first he thinks they have already positioned themselves in a power situation as Councilors and they should already be able to go to him so he has to agree with the Mayor on that. He said he has trust that individually or collectively they can do that. He said he is sure that he would make time for them. He said again he thinks she is in the right direction but he doesn't think they need a resolution.
- Ms. Walker-Montgomery said but there is no specifics as to how they can get her in the right direction. She said all they keep saying is no specifics.
- Mr. Carr said but she is asking for power though.
- Ms. Walker-Montgomery said it is fine, it really is. She said she put in on there....
- Mr. Carr said he is just saying she is asking for power.
- Ms. Walker-Montgomery said the ball is in their court.
- Mr. Carr said the Mayor is saying that they can't have that power so what are they going to be voting on in this resolution.
- Ms. Walker-Montgomery said the power is in the Charter and she wrote it in there and these people elect us to serve them. She said the ball is in their court to actually do this. She said

if they don't and they don't pass this then they are failing them. She said he can live with that....

- Mr. Carr said he thinks this Council is failing the residents of McKeesport only because if they are voting they have a so-called power. He said they should take the time to and see their committee member or the people like Jim Brown and the Chief and if there is something they want to do, they already have the opportunity to do that. He said he is not sure what a resolution is going to do.
- Ms. Walker-Montgomery said that is fine, let's just move on.
- Mr. Tedesco said they want to go through the Mayor if they speak to any of those Department Heads.
- Mayor Cherepko said that is all he is saying and just to throw in with what Mr. Carr just said. He said he thinks he hit it right on the nose, they are putting together a committee that means nothing and to say that they are doing a disservice to the people is absurd. He said Mr. Carr is constantly in contact with him and if he has any concerns they meet and sit down and talk. He said he can assure the public that Mr. Carr is doing above and beyond his duties as a Councilman. He said he thinks what he is saying is that she is putting together a Councilman to sit around and just ... there is no power and authority given by the Charter so therefore why have it. He said he thinks that is all it is. He said if she wants to go sit down and have these meetings, they can have them now. He said if he is going to wait to see a Resolution be passed on Council that is meaningful and beneficial, it should change something that it is doing. He said what is this changing. He said they can do everything they mentioned in this resolution right now without passing it. He said and not cause all of this controversy.
- Mr. Tedesco said his question is what is the negative in passing it then.

- Mayor Cherepko said because it is a waste. He said what are they going to pass it for.
- Mr. Tedesco said but he just said that it makes no difference either way, so what is the negative.
- Mayor Cherepko said he just thinks the bottom line is once again they sit and they argue about the Charter and this and that and everything else and it is not part of the Charter. He said if they want to sit down, then just do it. He said he thinks it is going to become ... here is what is going to happen.
- Mr. Segina said Mayor ....
- Mayor Cherepko said they are going to get adverse reactions to this ....
- Mr. Segina said he thinks the Mayor has made his point.
- Mayor Cherepko said yeah, but that is his concern is an adverse reaction.
- Mr. Segina said let me make my comments too. He said he made a mistake of putting this on the Agenda without asking for the six month shelf life of this Resolution. He said if they vote, it is up or down. He said he is sorry to say to Ms. Walker-Montgomery that without the cooperation of the Mayor and the fact that he feels so strongly about this particular Bill, he doesn't think that it is going to be successful. He said he knows where she is coming from and he thinks it is a good idea if this could happen. He said he thinks it needs some modifications as far as that goes. He said he could call an Executive Session every Tuesday before their meetings so they can all meet and discuss the different things they would like to discuss pertaining to the City.
- Ms. Walker-Montgomery said no, forget it.

- Mr. Segina said without the cooperation of the Mayor though who is the head of the City and is also the head of the chain of command. He said everything would have to go through him as far as that goes. He said he is not telling anyone how to vote, but he thinks they should give more thought to what they are doing here. He said perhaps they can come back with something that they can all be ....
- Ms. Walker-Montgomery said they can do it because she is no longer going to put her time into this.
- Mr. Segina said that they can all be comfortable with.
- Ms. Walker-Montgomery said one of them can do it.

**RC-14** YEAS: WALKER-MONTGOMERY, TEDESCO, SOLES ... 3

NAYS: CARR, SEGINA, DELLAPENNA..... 3

ABSENT: McCALL ..... 1

- Mr. Segina said as an addendum to this conversation, he knows that Ms. Walker-Montgomery put two months of work into this. He said he hates to see it go by the boards but he thinks that they can try to come to some kind of agreement. He said it seems that is all he is trying to do with Council and this Administration for the past four months, so they can all be happy with what they are trying to accomplish. He said he would like to see that happen. He said he will call an Executive Session again in May so they can further discuss this and if anyone has any new ideas that apply to this. He said and if the Mayor has some that he would like to have them do, then they will put that back in the Bill if Fawn would like to put that back on the Agenda.
- Mayor Cherepko said he has a comment. He said he doesn't have a problem if they decide within the next thirty seconds that they are going to partner up and be on committees, that is fine. He said it is just ... it is going the formal resolution was not needed and not necessary.

- Ms. Walker-Montgomery laughed.
- Mayor Cherepko said he does not find it funny Fawn. He said he just tries to enforce the Charter.
- Mr. Segina said they are done with this Mayor.
- Mayor Cherepko said he thinks that is the biggest step and they need to educate themselves on the Charter.
- Mr. Segina said let's go on to Bill #30.
- Ms. Walker-Montgomery said okay.

**RESOLUTION #2012-22 – BILL #30: A RESOLUTION OF THE CITY OF McKEESPORT, ALLEGHENY COUNTY, PENNSYLVANIA, ENCOURAGING THE PENNSYLVANIA GENERAL ASSEMBLY TO PASS A STATE WIDE LOST OR STOLEN HANDGUN REPORTING LAW.**

**MOTION:**        **Ms. Walker-Montgomery moved, seconded by Mr. Soles, "To adopt Bill #30."**

**COMMENTS:**

- Mr. Segina said before they start he wanted to make a comment on this particular Bill. He said this Bill says encouraging the General Assembly to pass a state wide lost or stolen handgun reporting law. He said he doesn't care what kind of law it was that would be acceptable before the General Assembly but he thinks they have seen enough violence in the past two weeks at least with guns in just about every state in this Country and nonsensical types of crimes that could happen even in the City of McKeesport and have. He said if there is some kind of element that they can lend to the Assembly and tell them they are supporting them, God knows the NRA supports them with plenty of money and it is time the citizens speak up. He said if they want something done, if maybe not this portion of the Bill as it is written but

at least let them know that they are interested in eliminating gun violence. He said that is all he has to say.

- Mr. Tedesco said he wants to state that last night he brought up that he did not support this Bill as it is written. He said he would support a more narrow target to the straw purchasers to enforce the strict penalties. He said that is what Mike brought up today and what he said last night. He said he doesn't know how everyone is going to vote but he thinks if he could predict if they would have gone 7-0 on a stricter penalties for straw purchasers then it would have sent a strong message and he would still stand by that.
- Mr. Segina said that as Mr. Tedesco knows once they get into the General Assembly these Bills pop up and they evolve into something that really is not what was initiated. He said they go in different ways so it is the General Assembly that is going to make the final decision and he is sure they will make the necessary adjustments whether it is good or bad.

**RC-15**    YEAS:        CARR, SEGINA, WALKER-MONTGOMERY,  
                                 DELLAPENNA, SOLES..... 5

              NAYS:        TEDESCO..... 1

              ABSENT: McCALL ..... 1

**RESOLUTION #2012-23 – BILL #31: A RESOLUTION OF THE CITY OF McKEESPORT, ALLEGHENY COUNTY, PENNSYLVANIA, APPROVING THE FY-2012 HOME CONSORTIA GRANT AMOUNT OF \$181,134.00 AND AUTHORIZING THE CITY'S PARTICIPATION IN THE ALLEGHENY COUNTY HOME CONSORTIUM PROGRAM AND APPROVING THE EXECUTION OF A COOPERATION AGREEMENT FOR FY-2012 IN THE ABOVE AMOUNT.**

**MOTION:**        Mr. Tedesco moved, seconded by Mr. Carr, "To adopt Bill #31."

**COMMENTS:**

- Mr. Segina said the amount that is indicated here of \$181,134.00 is \$100,000.00 drop from what was available to both Penn Hills and the City of McKeesport. He said that is a severe crisis in this town especially to our McKeesport Housing Corporation, who mostly used these funds. He said are there any other questions or comments.

**RC-16** YEAS: CARR, SEGINA, WALKER-MONTGOMERY,  
TEDESCO, DELLAPENNA, SOLES..... 6

NAYS: NONE..... 0

ABSENT: McCALL ..... 1

**AMEND THE AGENDA:**

**MOTION:** Mr. Tedesco moved, seconded by Mr. Soles,  
"To amend the Agenda to include Bills #32  
and #33."

**RC-17** YEAS: CARR, SEGINA, WALKER-MONTGOMERY,  
TEDESCO, DELLAPENNA, SOLES..... 6

NAYS: NONE..... 0

ABSENT: McCALL ..... 1

**ORDINANCE #12-7 – BILL #32: AN ORDINANCE OF THE CITY OF McKEESPORT, ALLEGHENY COUNTY, PENNSYLVANIA, AMENDING ORDINANCE 93-16 TO EXPAND THE RECREATION BOARD FROM SEVEN MEMBERS TO ELEVEN MEMBERS AND TO REQUIRE ALL MEMBERS RESIDE OR WORK WITHIN THE CITY OF McKEESPORT.**

**MOTION:** Mr. Tedesco moved, seconded by Mr. Dellapenna, "To adopt Bill #32."

<b>RC-18</b>	YEAS:	CARR, SEGINA, WALKER-MONTGOMERY, TEDESCO, DELLAPENNA, SOLES.....	6
	NAYS:	NONE.....	0
	ABSENT:	McCALL .....	1

**RESOLUTION #2012-24 – BILL #33: A RESOLUTION OF THE CITY OF McKEESPORT, ALLEGHENY COUNTY, PENNSYLVANIA, EXPRESSING THE CITY COUNCIL’S WILLINGNESS TO GUARANTEE A LOAN FOR BLUE ROOF TECHNOLOGIES TO AID IN THE CONSTRUCTION OF SIX BLUE ROOF HOMES WITHIN THE CITY OF McKEESPORT AND AUTHORIZING THE PROPER CITY OFFICIALS TO BEGIN THE PROCESS OF SEEKING DCED APPROVAL FOR SAID GUARANTEE.**

**MOTION:**        **Mr. Tedesco moved, seconded by Mr. Carr, “To adopt Bill #33.”**

**COMMENTS:**

- Mayor Cherepko said he just wanted to make a comment from last night. He said pretty much what Mr. Elash told them last night is the process they are going to have to go through. He said Blue Roof is approved to build six new houses and HUD has already approved the money to reimburse them when it is finished and they need a loan and what they are doing is ... they are not giving them the loan because they don’t have the money but they are going to guarantee the loan in case they would not be able to fulfill their obligations. He said the money is already there to be reimbursed to them at the end of the project in December.
- Mr. Segina said they mentioned that two homes will be built by December. He said they are under the gun to construct those homes.



- Mayor Cherepko said all of the homes will be finished by December. He said once again these are new homes being built by Blue Roof and they are taxable.
- Mr. Segina said this is a great thing happening in this town because they are filling empty lots. He said there are six new homes with the highest technical equipment in them to serve any handicap or elderly person. He said they are leading the charge on this through the Blue Roof and are grateful for them for doing the work they are doing.

**RC-19** YEAS: CARR, SEGINA, WALKER-MONTGOMERY,  
TEDESCO, DELLAPENNA, SOLES..... 6

NAYS: NONE..... 0

ABSENT: McCALL ..... 1

- Mr. Segina said the Mayor has some appointments to make.
- Mayor Cherepko said now that they have expanded the Recreation Board from seven to eleven on the recommendation of the Recreation Board, he would like to appoint the members of the Board. He said many have already been on the Board and working. He said what they did is staggered their terms. He said they are all three year terms but they staggered them so they would not all be done at the same time. He said the names of those to be appointed are: Ron Melocchi, Dan Carr, Cyndi James, Annette James, Cheryl Cotter, Jennifer Shields, Chuck Jarrell, V. Fawn Walker-Montgomery, Warren Bolden, Jennifer Vertullo, and Ernie Oatmeal. He said those are the eleven names that he is recommending based on the recommendations that was given to him and he is honoring the recommendation of the Recreation Board and is asking for approval this evening.
- Mr. Segina said he thinks they understand that this is a working Recreation Board.

- MOTION:** Mr. Tedesco moved, seconded by Mr. Soles, "To approve the appointment of new members of the McKeesport Recreation Commission as recommended by the Mayor."

- Mr. Segina said a good thing for all of them to have would be names and contacts for all the Commissions and Authorities. He said so they know who they have and when their terms expire.
- Mayor Cherepko said all of those get filed with Patty Williams and she will have them in there. He said that is what they are trying to do. He said what they found when they came in is that a lot of their Boards and Commissions are out dated. He said very slowly here they will gradually try to get everything updated.
- Mr. Segina said there was one Board he looked at after looking at it every member on it had passed away.
- Mayor Cherepko said yes, and he thinks their terms expired somewhere in the 1980's.

- Mr. Segina said and they have since gone to their reward. He said Mr. Elash has the floor.
- Mr. Elash said he has two public disclosures. He said the City of McKeesport seeks an exception to the potential conflict of interest provisions of CF0570.611 and its HUD Homeless Prevention and Rapid Rehousing Program through the McKeesport Housing Corporation and the McKeesport Housing Authority for the participation of tenants of Councilman Keith Soles and Ms. Terry Kisan who is on the McKeesport Housing Corporation Board. He said in the opinion of Council that this is not a violation of state or local law and it is on file in City Hall at 500 Fifth Avenue, McKeesport in the office of Patricia Williams. He said that is all he has.

### **CONTROLLER'S REPORT:**

- Mr. Malinchak said he has a couple of matters. He said the City Administration has painted a rather gloomy picture on the budget for this year and he wonders in the spirit of transparency which was advertised significantly at the outset of this Administration if they would be able to share with Council, the Controller and the Public what part of the three legs of the Budget is causing this concern. He said is it the underestimate of revenues coming in this year, the overexpenditures or is it the deficit being larger than anticipated from last year. He said which of these three is a contributing factor that is a concern.
- Mayor Cherepko said actually Mr. Malinchak, it is a very good point that he brought up and to be quite honest he thinks it is all three. He said as the year goes on they will have a better grasp of exactly what it is. He said there is no question they have inflated revenues and no questions they have expenditures. He said there are certain line items that the numbers are low and they will go above and beyond that. He said he doesn't know what he can say publicly as far as

specifically. He said for one, and it is out of their control, has to deal with union issues and payments that are going to have to be made to certain entities within the City. He said it is all union and that will be over \$140,000 by the end of the year and is something that has to be paid.

- Mr. Malinchak said \$140,000 increase in expenditures?
- Mayor Cherepko said actually it is basically around what it was last year ... close to that number ... but he doesn't want to go into too many details but compared to where it is budgeted, right now the number is budgeted at \$60,000. He said did they get a print out of the end of March. He said he will show them the item at \$60,000 and it is already at \$44,000 so when it is all said and done it will be at \$180,000 and it is an uncontrollable expense. He said it is a little bit of everything. He said he thinks they have always known that they are operating at a deficit here. He said he does not believe that the Delta Report was 100% correct by any means but there were a lot of points that they told them what they already knew. He said they have been operating at a deficit and Mr. Malinchak always said that and painted a gray picture and used to joke with the former Mayor about pulling a rabbit out of his hat and they have done that for a number of years. He said unfortunately that hole has gotten progressively worse because the revenues stay the same and the expenses have continued to go up with healthcare, MMO's, increased union wages and so on. He said that deficit eight years ago has slowly gone up each year and they have filled it with one time sales of assets and other things. He said they will have to pull another rabbit out of the hat.
- Mr. Segina said could he give them a report on this financial situation by the July meeting so they are aware of what is going on and maybe there are some things they have to do half way through this. He said they always wait until September and go into a panic. He said they should take a look at it now and get a better picture.

- Mayor Cherepko said he could not have said it better and he promises him that he will be as transparent with Council. He said they are waiting to get all the numbers down in writing and pictures, graphs and whatever they need to show them where they are. He said they are not waiting until July but that will be when he shows them everything but they are taking measures now and that is why they had financial experts come in and sit down with them. He said they are coming up with some solutions now as they speak. He said they will bring those to Council's attention but he wants them to have a very good picture where they are including the deficit, which is significant. He said they have to come up with some solutions. He said they have some that he thinks will get them almost there and will have to tweak some things to totally fill that deficit. He said they are going to work together.
- Mr. Segina said would the Mayor let him know then in July whether he wants to have a public meeting or an Executive Session, either one.
- Mayor Cherepko said he will see legally what they have to do. He said he doesn't know if he wants everything out there right now. He said they can probably give out round numbers. He said he thinks he was very honest with the public last month about the money. He said the deficit in his mind without going into details is about somewhere about \$1.5 to \$2 million in the hole.
- Mr. Malinchak said when he says they are that far in the hole, if he can break this down a little bit for his benefit.
- Mayor Cherepko said he would be willing to sit down with Mr. Malinchak.
- Mr. Malinchak said thank you, he appreciates that and will take him up on that. He said does Matt have a handle yet and he knows it might be an unfair question but what the deficit carryovers are from last year. He said he knows they

just added \$10,000 last night. He said within \$100,000. He said is it \$200, \$300, \$400 ....

- Mayor Cherepko said it is hard to say. He said it is hard to say what the audit is going to show. He said what it is actually going to show. He said he has thrown out large numbers to him that he knows they spent last year that they did not have or overspent. He said does that mean that is what it is going to show, that depends. He said if he were going to guess, they probably came in with bills unpaid conservatively of at least \$500,000.
- Mr. Malinchak said the Mayor is right on target. He said since he has been here in 2003, it has fluctuated about that. He said there was one year where they had a \$700,000 surplus and he mentioned repeatedly that they double entered a \$200,000 payment from the Sewage Authority but no one agreed with him. He said actually that year it should have been a \$700,000 deficit. He said the Mayor is right on target.
- Mayor Cherepko said he thinks Mr. Malinchak is right in some of the things he just said.
- Mr. Malinchak said it is not a good thing but that is what is historical.
- Mayor Cherepko said it is not good and he thinks he is actual. He said the thing is they are talking about \$500,000 of bills that were not paid but now they look back and think that they used \$421,000 out of the Mayor's reserve fund to get them through the year so now they are up to \$900,000 and they took \$287,000 out of the Sewage Authority and they paid their business privilege tax up front before the contract and they used that money and took \$151,000 out on Council a few months before that to make payroll. He said if they take all these, there should have been a lockbox put aside of \$500,000 to pay the MMO's.
- Mr. Segina said he is getting dizzy with numbers.

- Mayor Cherepko said he is seeing where he is going.
- Mr. Segina said he is going to save his comments for the July meeting.
- Mr. Malinchak said he is going to spin him out once more. He said keep in mind that the Mayor said about pulling one out. He said keep in mind, historically if they look back that they pulled out about \$6 million since he has been here by liquidating assets. He said the Mayor is right on schedule.
- Mayor Cherepko said that is an accurate statement.
- Mr. Malinchak said thank you Mr. Segina for being patient with that figure. He said the other item he would like to mention being around finances, he is going to bring this up again because this is part of his standard of care duty. He said sitting here is an item that they have in the budget of \$37,350 that is an expense they have reserved for this year and it is for Tax Anticipation Note interest. He said he spoke behind the scenes with Mr. Gergely yesterday. He said the reason why they have that interest in there as he mentioned to Mr. Gergely is that the interest is carried in the budget that the transaction for the Tax Anticipation Note is on the Balance Sheet, which Dennis and he always referred to as off the budget. He said they are paying that money to borrow \$1.5 million. He said they are sitting here with \$14 million in M&T Bank drawing .0098% interest as of the last statement that Mr. Gergely and he saw and he is going to recommend to Council that they immediately pull \$1.5 million out of that account and start financing their Tax Anticipation Loan themselves. He said they will save themselves \$30,000. He said he cannot understand how they can sit here and let \$14 million sit there at .0098% and it cost them \$83 a year to keep the money in there and yet go out and borrow money and pay \$37,000. He said it just doesn't make sense.
- Mayor Cherepko said he thinks he has a very clear explanation for this and it is as simple as can be put. He said

if they had done what he said, they would have had no money for the payroll in December. He said what he is saying is that the \$1.5 million that they have sitting aside that they could have used as a Tax Anticipation Note, they will use that up to get through the year. He said that is where their hole is. He said if they would have used their \$1.5 million that is sitting there to give themselves a loan, that would now be spent and they would be sitting with nothing. He said what would they do come November and December when they need it for payroll. He said what would they use then.

- Mr. Malinchak said he thinks they are cross wired here. He said if the Mayor took \$1.5 million out to meet commitments which is fine and that was clear. He said if he would have taken \$3 million then he could have replaced ....
- Mayor Cherepko said they don't have \$3 million.
- Mr. Malinchak said they have \$14 million.
- Mayor Cherepko said he is very glad he brought that up. He said he wanted to educate him a little bit.
- Mr. Malinchak said is he telling him the statements he got from M&T are wrong.
- Mayor Cherepko said if Mr. Malinchak has \$14 million that they have, please show him so he can sleep at night. He said please show him. He said he doesn't know where it is. He said he will tell him where their money went. He said if he would have read the ordinance that they passed back in August it is very simple. He said they will use rounded numbers so the public understands this. He said they had roughly \$32 million debt in the City. He said they got \$24 million given to them from the bond from the Sewage Authority to pay back their debt. He said they took \$20 million and paid off their debt. He said they are left with about \$12 million deficit rather than \$32 million. He said it puts the City in a better financial situation and a better bond



rating. He said now Mr. Malinchak says okay now they have \$4 million but that is not true. He said they took \$2 million of that of which \$1.5 they have set aside, that is correct, to use for capital improvements. He said unfortunately as he just told him they probably will have to use it to get through the year. He said there is an additional \$500,000 that made up that \$2 million was put in the budget immediately in February thanks to Mr. Malinchak pointing out that the budget was actually off by \$500,000 because there was a reserve fund on the revenue side that had \$500,000 and it was not there. He said there is \$2 million of the \$4 million and that leaves them with \$2 million. He said no, the \$2 million is invested to help them with their cash flow. He said what it is invested for is the money is invested to help them with their cash flow for the next two years. He said it is money they can't use for extra projects, it is money to pay their MMO payments. He said it is their bond insurance premiums. He said that is invested and in August they will have \$500,000 that will come out of that and there will be some in the spring. He said bottom line is that \$2 million is allocated over the next three years. He said if they don't have that then they ... if they would not have invested that money they would have been in a bigger hole now. He said with that being said, all they have is \$1.5 million. He said all of the other money is allocated and if for some reason he is wrong ... and he can assure him he is not, he is 100% sure, but please let him know so he can sleep at night. He said he is not sleeping.

- Mr. Segina said he thinks it is an interesting concept though. He said it is something maybe they can look at when budget time comes around.
- Mr. Malinchak said he would like to respond to the Mayor. He said some of his bookend numbers are absolutely correct but there is a time element here that he has neglected to share.
- Mayor Cherepko said in 2015 the money has to be there.

- Mr. Malinchak said but he didn't say that. He said he just told everyone out here that they paid \$20 million ... he said they are going to have \$10 million sitting in there until 2014.
- Mayor Cherepko said okay....
- Mr. Malinchak said what are they doing with the \$14 million, he's sorry let's just say it is only \$10 million out of the \$14 million. He said because they have to use it for the other reasons he said to retire other debt. He said so they are going to have \$14 million sitting in there for three years going back to September 1 drawing a total for three years at three times \$1,400 or less than \$5,000 but it is going to cost them \$4,500 to keep it. He said why don't they take \$1.5 million of that and use it as their Tax Anticipation Loan and at the end of the year the gentleman would have to pay this back like he typically does and at the end of the year they will have \$1.5 million for next year's Tax Anticipation Loan. He said then when the 2014 arrives they have to go back to what they are doing today and go back out on the market for the Tax Anticipation Note.
- Mr. Segina said before anyone falls asleep ....
- Mayor Cherepko said he needs to answer this one and he promises he will stop.
- Mr. Segina said he just wants the Mayor to take that into consideration.
- Mayor Cherepko said no, he will stop. He said Mr. Segina please no. He said if they could have done that, they would have done that. He said just like they were in here with Blue Roof. He said if they had \$1.5 to give Blue Roof and make 3% because that is what the bank is going to make and it would have saved money on Blue Roof. He said they are wrong and here is why they are wrong. He said that \$10 Million has to be in there for the bonds. He said they have already paid them off and when the bonds are bought back in

three years from now, the money has to be there now. He said what does that do? He said instead of paying \$181,000 a month in bond insurance payments, they are paying \$50,000. He said that is correct, they were paying \$181,000 a month and now they are only paying \$50,000. He said if they would not have allocated that they would have then had to pay even if they took their \$181,000 they would have been paying \$120,000 a month.

- Mr. Malinchak said he thinks he has his months and years mixed up.
- Mr. Segina said gentlemen he is ending this conversation right now.
- Mayor Cherepko said he will assure him and he will go on public record right now and tell him that they spend \$181,000 a month and that is what they were paying on their bond insurance.
- Mr. Segina said right now this is over their heads a little bit and he thinks everyone in the audience recognizes that. He said if they want to discuss that, they should contact each other and go over those figures again. He said does Mr. Malinchak have anything else.
- Mr. Malinchak said thank you Mr. Segina. He said he is running out of energy so he thanks him for ending the discussion. He said he recommends that Council approves payment of the bills in the amount of \$37,902.35 with one condition. He said included in here is the bill for Rhome. He said he got a phone call today from the Auditor and got another lecture about what Mr. Segina mentioned earlier about violating the state law and getting tires and next month they will have to solve this problem because he will not sign the check for Rhome Tire next month.
- Mayor Cherepko said he would like to comment. He said he doesn't know what he is lecturing him about because he

- Mr. Malinchak said today he told him it wasn't.
- Mayor Cherepko said he was with him today and he said absolutely by no means that he is not telling him to say any of this. He said they are going to fix the problem but he agrees they are getting tires cheaper. He said his whole point is that he was signing that check for eight years and don't start now.
- Mr. Malinchak said was there a finding in the audit report on this.
- Mayor Cherepko said he has not given them the findings. He said he has addressed the need and they have talked about going out to bid and how they are going to go out to bid. He said they sat in Patty Williams office today at her round table.
- Mr. Segina said he is glad they are on opposite sides of the room here. He said they have a motion on the floor.

<b>RC-21</b>	YEAS:	CARR, SEGINA, WALKER-MONTGOMERY, TEDESCO, DELLAPENNA, SOLES.....	6
	NAYS:	NONE.....	0
	ABSENT:	McCALL .....	1

**ADJOURNMENT:**

President of Council Darryl Segina adjourned the meeting at 8:47 p.m.

Respectfully submitted,

Patricia A. Williams  
City Clerk and Clerk of Council

APPROVED:

Darryl Segina  
President of Council

daw